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PUBLIC SERVICE
COMMISSION

September 14, 2007

HAND DELIVERED

Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: PSC Case No. 2006-00472

Dear Ms. O'Donnell:

Please find enclosed for filing with the Commission in the above-referenced case an original and ten copies of the responses of East Kentucky Power Cooperative, Inc. ("EKPC"), to the information requests made at the hearing in this case, held on September 5, 2007.

Very truly yours,



Charles A. Lile
Senior Corporate Counsel

Enclosures

Cc: Parties of Record

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PUBLIC SERVICE
COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

| | |
|--|---------------------|
| GENERAL ADJUSTMENT OF ELECTRIC RATES) | CASE NO. |
| OF EAST KENTUCKY POWER |) 2006-00472 |
| COOPERATIVE, INC. |) |

**RESPONSES OF EAST KENTUCKY POWER COOPERATIVE, INC.
TO COMMISSION STAFF DATA REQUESTS AT PUBLIC HEARING
HELD ON SEPTEMBER 5, 2007**

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2006-00472
INFORMATION REQUEST RESPONSE

**PUBLIC SERVICE COMMISSION DATA REQUEST AT HEARING HELD ON
SEPTEMBER 5, 2007**

REQUEST NO. 1

RESPONDING PERSON: Frank Oliva

Request 1: Please provide a schedule showing projected TIER and DSC levels which would result from various levels of revenue increases under consideration in this case.

Response 1: A schedule showing projections of TIER and DSC levels in 2007-2009, for various revenue increases, is attached.

East Kentucky Power Cooperative, Inc.

Projected Financial Results For Years 2007, 2008, and 2009 Based on Various Levels of Rate Increases Allowed

| <u>Year</u> | <u>Rate Increase Granted</u> | <u>Effective Date</u> | <u>Projected Net Margin (Deficit) For Year</u> | <u>Projected TIER For Year</u> | <u>Projected DSC For Year</u> |
|-------------|------------------------------|-----------------------|--|--------------------------------|-------------------------------|
| 2007 | \$ 19,000,000 | 4/1/2007 | \$ 21,049,000 | 1.17 | 1.03 |
| 2008 | \$ 19,000,000 | 4/1/2007 | \$ (8,038,000) | 0.95 | 0.91 |
| 2009 | \$ 19,000,000 | 4/1/2007 | \$ (32,933,000) | 0.80 | 0.85 |
| 2008 | \$ 30,000,000 | 1/1/2008 | \$ 2,279,000 | 1.01 | 0.96 |
| 2009 | \$ 30,000,000 | 1/1/2008 | \$ (21,383,000) | 0.87 | 0.89 |
| 2008 | \$ 38,500,000 | 1/1/2008 | \$ 11,980,000 | 1.08 | 1.01 |
| 2009 | \$ 38,500,000 | 1/1/2008 | \$ (12,458,000) | 0.92 | 0.93 |
| 2008 | \$ 43,400,000 | 1/1/2008 | \$ 17,007,000 | 1.11 | 1.03 |
| 2009 | \$ 43,400,000 | 1/1/2008 | \$ (7,313,000) | 0.96 | 0.95 |

Net Margin estimates are based on the EKPC Board-Approved Financial Forecast Dated February 14, 2007, as adjusted for known and projected changes. These projections do not include any yet-to-be-determined adjustments which may occur due to the settlement of the lawsuits brought by the EPA against EKPC.

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2006-00472
INFORMATION REQUEST RESPONSE

**PUBLIC SERVICE COMMISSION DATA REQUEST AT HEARING HELD ON
SEPTEMBER 5, 2007**

REQUEST NO. 2

RESPONDING PERSON: Bill Bosta

Request 2: Please provide an electronic copy of Application Exhibit I, in Excel format.

Response 2: A CD-ROM containing Exhibit I is attached. Please note that this version of Exhibit I is updated, from the version in the original Application, to reflect minor corrections in Fuel Adjustment Clause revenues, consistent with the response to Request 8 (b) of the Commission Staff's First Data Request, dated 12/5/06.